



North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

September 22, 2013

Jackie Glaze
Associate Regional Administrator
Division of Medicaid
Centers for Medicare and Medicaid Services
Region IV
Atlanta Federal Center
61 Forsyth Street, SW Suite 4T20
Atlanta, GA 30303-8909

SUBJECT: State Plan Amendment
Title XIX, Social Security Act
Transmittal #2013-026

Dear Ms. Glaze:

Please find attached an amendment for North Carolina's State Plan under Title XIX of the Social Security Act for the Medical Assistance Program. The purpose of this state plan amendment is to freeze the rates for Physician Drug Program (PDP).

Please find enclosed an amendment to the affected page is Attachment 4.19-B, Supplemental 1, Page 2.

This state plan change implements Session Law 2013 – 360, Section 12H.13.(b) which requires that rates for Physician Drug Program (PDP) be frozen at the rate in effect June 30, 2013, for State fiscal years 2014 and 2015.

This amendment is effective August 1, 2013.

Your approval of this state plan amendment is requested. If you have any questions or concerns, please contact Teresa Smith or me at 919-855-4116.

Sincerely,

A handwritten signature in dark ink, appearing to read "Aldona Z. Wos".

Aldona Z. Wos, M.D.

Enclosures

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: North Carolina

Payments for Medical and Remedial Care and Services

Payment for Physician Drug Program:

SFY 2010 – The rates for SFY 2010 are frozen as of the rates in effect at July 1, 2009. Effective October 1, 2009, a negative inflationary adjustment of 3.61% was applied to the existing rates. There will be no further annual adjustment.

SFY 2011 – As of July 1, 2010 rates will be frozen except Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule.

SFY 2012 - The rates for SFY 2012 are frozen as of the rates in effect at July 1, 2011 except Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule.

SFY 2014 – Effective August 1, 2013, the rates will be frozen at the rate in effect on June 30, 2013. There will be no further annual adjustments except that Medicaid rates may be adjusted downward in accordance with the applicable years downward adjustments to the Medicare fee schedule.

SFY 2015 - Effective July 1, 2014, the rates will be frozen at the rate in effect on June 30, 2014. There will be no further annual adjustments except that Medicaid rates may be adjusted downward in accordance with the applicable years downward adjustments to the Medicare fee schedule.

Reference: Attachment 4.19-B, Section 12

TN No. 13-026
Supersedes
TN No. 11-047

Approval Date: _____

Eff. 08/01/2013